

TAB 3

Point Paper
Approval of 2009/10 Proposed Millage Rate and Date for Tentative
Budget Hearing

PROBLEM:

Pursuant to State guidelines, the City must inform the Manatee County Property Appraiser of the proposed tentative millage rate and establish a date for a public hearing to discuss the tentative budget and proposed millage rate.

BACKGROUND:

The DR420 (Exhibit A) is used to document the tentative millage and date for the public hearing to discuss the budget. The DR420 must be returned to the property appraiser by August 4, 2009. In addition, two additional forms must be submitted as a result of the new property tax reform legislation. The DR 420 MM-P (Exhibit B- maximum millage tax levy) and DR 420 TIF (Exhibit C) are included for your review.

ALTERNATIVES

#1 Adopt a proposed millage rate of 4.6662 (existing rate) per \$1,000 of taxable value a schedule a public hearing on September 14, 2009 at 7:00pm to discuss the tentative budget and proposed millage rate.

#2 Adopt a proposed millage rate of 5.1925 (roll-back) per \$1,000 of taxable value a schedule a public hearing on September 14, 2009 at 7:00pm to discuss the tentative budget and proposed millage rate.

#3 Adopt another proposed millage rate and schedule a public hearing on September 14, 2009 at 7:00pm to discuss the tentative budget and proposed millage rate.

Note once the tentative millage is set, the Commission can adopt a rate that is lower, but cannot adopt a rate that is higher during the final budget public hearing.

RECOMMENDATION

Commission to discuss alternatives.

BUDGET IMPACT

Exhibit D identifies the ad valorem dollars that will be levied with alternatives #1 and #2 and #3.

CERTIFICATION OF TAXABLE VALUE

Year 2009	County MANATEE
Principal Authority CITY OF PALMETTO	Taxing Authority CITY OF PALMETTO

SECTION I: COMPLETED BY PROPERTY APPRAISER			
1.	Current year taxable value of real property for operating purposes	\$	865,799,139 (1)
2.	Current year taxable value of personal property for operating purposes	\$	71,000,110 (2)
3.	Current year taxable value of centrally assessed property for operating purposes	\$	427,119 (3)
4.	Current year gross taxable value for operating purposes (Line 1 plus Line 2 plus Line 3)	\$	937,226,368 (4)
5.	Current year net new taxable value (Add new construction, additions, rehabilitative improvements increasing assessed value by at least 100%, annexations, and tangible personal property value over 115% of the previous year's value. Subtract deletions.)	\$	7,816,686 (5)
6.	Current year adjusted taxable value (Line 4 minus Line 5)	\$	929,409,682 (6)
7.	Prior year FINAL gross taxable value (From prior year applicable Form DR-403 series)	\$	1,082,799,208 (7)
8.	Does the taxing authority include tax increment financing areas? If yes, enter number of worksheets (DR-420TIF) attached. if none, enter 0.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Number 1 (8)
9.	Does the taxing authority levy a voted debt service millage or a millage voted for 2 years or less under s. 9(b), Article VII, State Constitution? If yes enter the number of forms DR-420DEBT, <i>Certification of Voted Debt Millage Addendum</i> for each debt service levy.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Number 0 (9)

SIGN HERE	Property Appraiser Certification	
	I certify the taxable values shown above are correct to the best of my knowledge.	
	Signature of Property Appraiser <i>Chas E. Harkney</i>	Date 06/30/2009

SECTION II: COMPLETED BY TAXING AUTHORITY			
If this portion of the form is not completed in FULL your authority will be denied TRIM certification and possibly lose its millage levy privilege for the tax year. If any line is inapplicable, enter N/A or -0-			
10.	Prior year operating millage levy (if prior year millage was adjusted then use adjusted millage from Form DR-422.)	\$	per \$1,000 (10)
11.	Prior year ad valorem proceeds (Line 7 multiplied by Line 10 divided by 1,000)	\$	(11)
12.	Amount, if any, paid or applied in prior year as a consequence of an obligation measured by a dedicated increment value (Sum of either line Line 6c or Line 7a for all DR-420TIF forms)	\$	(12)
13.	Adjusted prior year ad valorem proceeds (Line 11 minus Line 12)	\$	(13)
14.	Dedicated increment value, if any (Sum of either Line 6b or Line 7e for all DR-420TIF forms)	\$	(14)
15.	Adjusted current year taxable value (Line 6 minus Line 14)	\$	(15)
16.	Current year rolled-back rate (Line 13 divided by Line 15, multiplied by 1,000)	\$	per \$1,000 (16)
17.	Current year proposed operating millage rate	\$	per \$1,000 (17)
18.	Total taxes to be levied at proposed millage rate (Line 17 multiplied by Line 4, divided by 1,000)	\$	(18)

SECTION II: COMPLETED BY TAXING AUTHORITY - CONTINUED FROM PAGE 1			
19.	TYPE of principal authority (check one)	<input type="checkbox"/> County <input type="checkbox"/> Municipality	<input type="checkbox"/> Independent Special District (19) <input type="checkbox"/> Water Management District
20.	Check applicable taxing authority (check one)	<input type="checkbox"/> Principal Authority <input type="checkbox"/> MSTU	<input type="checkbox"/> Dependent Special District (20) <input type="checkbox"/> Water Management District Basin
21.	Is millage levied in more than one county? (check one)	<input type="checkbox"/> Yes <input type="checkbox"/> No	(21)
DEPENDENT SPECIAL DISTRICTS AND MSTUs: STOP HERE - SIGN AND SUBMIT			

22.	Enter the total adjusted prior year ad valorem proceeds of the principal authority, all dependent special districts, and MSTUs levying a millage. (The sum of Line 13 from all Form DR-420 forms.)	\$		(22)
23.	Current year aggregate rolled-back rate (Line 22 divided by Line 15, multiplied by 1,000)	\$	per \$1,000	(23)
24.	Current year aggregate rolled-back taxes (Line 4 multiplied by Line 23, divided by 1,000)	\$		(24)
25.	Enter total of all operating ad valorem taxes proposed to be levied by the principal taxing authority, all dependent districts, and MSTUs, if any. (Total of Line 18 from all DR-420 forms.)	\$		(25)
26.	Current year proposed aggregate millage rate (Line 25 divided by Line 4, multiplied by 1,000)	\$	per \$1,000	(26)
27.	Current year proposed rate as a percent change of rolled-back rate (Line 26 divided by Line 23, minus 1, multiplied by 100)			% (27)

First public budget hearing	Date	Time	Place
------------------------------------	------	------	-------

SIGN HERE	Taxing Authority Certification		I certify the millages and rates are correct to the best of my knowledge. The millages comply with the provisions of Section 200.185 and 200.071 or 200.081, F.S.		
	Signature of Chief Administrative Officer			Date	
	Title		Contact Name		
	Mailing Address		Physical Address		
	City, State, Zip		Phone Number		Fax Number

Exhibit B



**MAXIMUM MILLAGE LEVY CALCULATION
PRELIMINARY DISCLOSURE**
For municipal governments, counties, and special districts

DR-420MM-P
R. 6/09
Florida Administrative Code
Rule 12DER09-01

Year	County
Principal Authority	Taxing Authority

1.	Is your taxing authority a municipality or independent special district that has levied ad valorem taxes for less than 5 years?	<input type="checkbox"/> Yes <input type="checkbox"/> No	(1)
----	---	--	-----


IF YES, STOP STOP HERE. SIGN AND SUBMIT. You are not subject to a millage limitation.

2.	Current year rolled-back rate from Form DR-420, Line 16		per \$1,000	(2)
3.	Prior year maximum millage rate with a majority vote (2008 Form DR-420MM, Line 24)		per \$1,000	(3)
4.	Prior year operating millage rate from Form DR-420, Line 10		per \$1,000	(4)

If Line 4 is equal to or greater than Line 3, skip to Line 11. If less, continue to Line 5.

Adjust rolled-back rate based on prior year majority-vote maximum millage rate				
5.	Prior year final gross taxable value from Form DR-420, Line 7	\$		(5)
6.	Prior year maximum ad valorem proceeds with majority vote (Line 3 multiplied by Line 5 divided by 1,000)	\$	0	(6)
7.	Amount, if any, paid or applied in prior year as a consequence of an obligation measured by a dedicated increment value from Form DR-420 Line 12	\$		(7)
8.	Adjusted prior year ad valorem proceeds with majority vote (Line 6 minus Line 7)	\$	0	(8)
9.	Adjusted current year taxable value from DR-420 Line 15	\$		(9)
10.	Adjusted current year rolled-back rate (Line 8 divided by Line 9, multiplied by 1,000)		per \$1,000	(10)

Calculate maximum millage levy				
11.	Rolled-back rate to be used for maximum millage levy calculation (Enter Line 10 if adjusted or enter Line 2 if Line 10 is not adjusted)		per \$1,000	(11)
12.	Adjustment for growth in per capita Florida personal income		1.0250	(12)
13.	Majority vote maximum millage rate allowed (Line 11 multiplied by Line 12)	.0000	per \$1,000	(13)
14.	Two-thirds vote maximum millage rate allowed (Multiply Line 13 by 1.10)	.0000	per \$1,000	(14)
15.	Current year proposed millage rate		per \$1,000	(15)
16.	Minimum vote required to levy proposed millage: (Check one)			
	<input type="checkbox"/> a. Majority vote of the governing body: Check here, if Line 15 is less than or equal to Line 13. The maximum millage rate is equal to the majority vote maximum rate. Enter Line 13 on Line 17.			
	<input type="checkbox"/> b. Two-thirds vote of governing body: Check here if Line 15 is less than or equal to Line 14, but greater than Line 13. The maximum millage rate is equal to proposed rate. Enter Line 15 on Line 17.			
	<input type="checkbox"/> c. Unanimous vote of the governing body, or 3/4 vote if nine members or more: Check here if Line 15 is greater than Line 14. The maximum millage rate is equal to the proposed rate. Enter Line 15 on Line 17.			
	<input type="checkbox"/> d. Referendum: The maximum millage rate is equal to the proposed rate. Enter Line 15 on Line 17.			
17.	The selection on Line 16 allows a maximum millage rate of (Enter rate indicated by choice on Line 16)		per \$1,000	(17)
18.	Current year gross taxable value from Form DR-420, Line 4	\$		(18)

19.	Current year proposed taxes (Line 15 multiplied by Line 18, divided by 1,000)	\$	0	(19)
20.	Total taxes levied at the maximum millage rate (Line 17 multiplied by Line 18, divided by 1,000)	\$	0	(20)
DEPENDENT SPECIAL DISTRICTS AND MSTUs  STOP HERE. SIGN AND SUBMIT.				
21.	Enter the current year proposed taxes of all dependent special districts & MSTUs levying a millage (The sum of all Lines 19 from each district's Form DR-420 MM-P)	\$		(21)
22.	Total current year proposed taxes (Line 19 plus Line 21)	\$	0	(22)
Total Maximum Taxes				
23.	Enter the taxes at the maximum millage of all dependent special districts & MSTUs levying a millage (The sum of all Lines 20 from each district's Form DR-420 MM-P)	\$		(23)
24.	Total taxes at maximum millage rate (Line 20 plus line 23)	\$	0	(24)
Total Maximum Versus Total Taxes Levied				
25.	Are total current year proposed taxes on Line 22 equal to or less than total taxes at the maximum millage rate on Line 24? (Check one)	<input type="checkbox"/> Yes <input type="checkbox"/> No		(25)

SIGN HERE	Taxing Authority Certification		I certify the millages and rates are correct to the best of my knowledge. The millages comply with the provisions of ss. 200.065 and 200.071 or 200.081, F.S.		
	Signature of Chief Administrative Officer			Date	
	Title		Contact Name		
	Mailing Address		Physical Address		
	City, State, Zip		Phone Number		Fax Number

Complete and submit this Form DR-420MM-P, Maximum Millage Levy Calculation-Preliminary Disclosure, to your property appraiser with the Form DR-420, Certification of Compliance.

Exhibit C

TAX INCREMENT ADJUSTMENT WORKSHEET

2009	County MANATEE
Principal Authority CITY OF PALMETTO	Taxing Authority CITY OF PALMETTO
Community Redevelopment Area PALMETTO CRA	Base Year 1984

SECTION I COMPLETED BY PROPERTY APPRAISER

1.	Current year taxable value in the tax increment area	\$	455,462,064 (1)
2.	Base year taxable value in the tax increment area	\$	71,388,824 (2)
3.	Current year tax increment value (Line 1 minus Line 2)	\$	384,073,240 (3)
4.	Prior year Final taxable value (prior year DR-422, Line 2)	\$	558,524,443 (4)
5.	Prior year tax increment value (Line 4 minus Line 2)	\$	487,135,619 (5)

SIGN HERE	Property Appraiser Certification	I certify the values above are correct to the best of my knowledge	
	Signature of Property Appraiser	<i>Chris E. Harkness</i>	Date 06/30/2009

SECTION II COMPLETED BY TAXING AUTHORITY Complete either line 6 or line 7 as applicable Do NOT complete both.

6. the amount to be paid to the redevelopment trust fund IS BASED on a specific proportion of the tax increment value:

6a.	Enter the proportion on which the payment is based.		% (6a)
6b.	Dedicated increment value (Line 3 multiplied by the percentage on Line 6a)	\$	(6b)
6c.	Amount of payment to redevelopment trust fund in prior year	\$	(6c)

7. If the amount to be paid to the redevelopment trust fund IS NOT BASED on a specific proportion of the tax increment value:

7a.	Amount of payment to redevelopment trust fund in prior year	\$	(7a)
7b.	Prior year operating millage levy (Form DR-420, Line 10)	\$	per \$1000 (7b)
7c.	Taxes levied on prior year tax increment value (Line 5 multiplied by Line 7b, divided by 1,000)	\$	(7c)
7d.	Prior year payment as proportion of taxes levied on increment value (Line 7a divided by Line 7c)		% (7d)
7e.	Dedicated increment value (Line 7d multiplied by Line 3)	\$	(7e)

SIGN HERE	Taxing Authority Certification	I certify the calculations, millages, and rates are correct to the best of my knowledge.		
	Signature of Chief Administrative Officer			Date
	Title	Contact Name		
	Mailing Address	Physical Address		
	City, State, Zip	Phone Number	Fax Number	

TAX INCREMENT ADJUSTMENT WORKSHEET INSTRUCTIONS

Property appraisers must complete and sign Section I of this worksheet and provide it with form DR-420, *Certification of Taxable Value*, to all taxing authorities who make payments to a redevelopment trust fund under:

- Section 163.387(2)(a), Florida Statutes or
- An ordinance, resolution, or agreement to fund a project or to finance essential infrastructure.

"Tax increment value" is the cumulative increase in taxable value from the base year to the current year within the defined geographic area. It is used to determine the payment to a redevelopment trust fund under:

- S. 163.387(1), F.S. or
- An ordinance, resolution, or agreement to fund a project or finance essential infrastructure. In this case, the taxing authority must certify the boundaries and beginning date to the property appraiser.

"Dedicated increment value" is the portion of the tax increment value used to determine the payment to the redevelopment trust fund. (See s. 200.001(8)(h), F.S.) Calculate the dedicated increment value on this form and enter on either Line 6b or Line 7e.

"Specific proportion," used to determine whether to complete Line 6 or Line 7, refers to the calculation of the tax increment payment. Examples:

● Example 1

Section 163.387(1), F.S., states the payment made by the taxing authority should equal 95% of the millage levied times the tax increment value. The specific proportion in this case is 95%. The ordinance providing for the payment may set a percentage lower than 95%. In these cases, the lower percentage would be the specific proportion.

● Example 2

Some required tax increment payments are not directly related to the tax increment value. A constant dollar payment is a payment not based on a specific proportion of the tax increment value. Line 7 converts these payments into a proportion based on the prior year's payment and tax increment value to reach the current year's dedicated increment value.

Section I: Property Appraiser

A. Complete Section I of this form for each county, municipality, independent special district, dependent special district, and MSTU that:

- Has a tax increment value and
- Is not exempted from making payments to a community redevelopment trust fund based on tax increments (s. 1

If a taxing authority has more than one tax increment value, they must complete a separate form for each tax increment value. Send a copy to each taxing authority with the form DR-420 and keep a copy. When the taxing authority returns the completed forms, immediately send the original to:

Florida Department of Revenue
Property Tax Oversight Program - TRIM
725 South Calhoun Street
Tallahassee, Florida 32399-0100

B. Enter only tax increment values that apply to the value located within the taxing authority indicated.

Section II: Taxing Authority

Complete Section II of the form, keep one copy, and return the original and one copy to your property appraiser with Form DR-420 within 35 days of certification. Send one copy to your tax collector.

Additional Instructions for Lines 6 and 7

Complete Line 6 if the payment into the redevelopment trust fund is a specific proportion of the tax increment value.

Complete Line 7 if the payment is based on a calculation other than a specific proportion. Do not complete both Line 6 and 7.

ALL FORMS FOR TAXING AUTHORITIES ARE AVAILABLE ON OUR WEBSITE AT
<http://dor.myflorida.com/dor/property/maxmillage.htm>

**Exhibit D
Future Estimated Millage
FY09-10**

	FY 08-09 Final DR 422	FY09-10 DR 420	0.1	0.25	Roll Back Rate .53
Millage	\$ 4.6662	\$ 4.6662	\$ 4.7662	\$ 4.9162	\$ 5.1925
Gross Taxable Value	\$ 1,082,799,208	\$ 937,226,368	\$ 937,226,368	\$ 937,226,368	\$ 937,226,368
New Taxable Value		\$ 7,816,686	\$ 7,816,686	\$ 7,816,686	\$ 7,816,686
	\$ 1,082,799,208	\$ 929,409,682	\$ 929,409,682	\$ 929,409,682	\$ 929,409,682
Ad Valorem Proceeds	\$ 5,052,558	\$ 4,373,286	\$ 4,467,008	\$ 4,607,592	\$ 4,866,548
Ad Valorem Proceeds (95%)	\$ 4,799,930	\$ 4,154,621	\$ 4,243,658	\$ 4,377,213	\$ 4,623,221
Rec'd To Date	\$ 4,962,084				
Percent of Budget	103.4%				
Additional \$ based on change in millage			\$ 89,037	\$ 222,591	\$ 468,599